Employee Plans (EP)/Exempt Organizations (EO)/Government Entities (GE) Audit Information Management System (AIMS) Report Processing System (EARP) – Privacy Impact Assessment (PIA)

PIA Approval Date: Feb. 20, 2009

Purpose of the System

The IRS conducts examinations of entities that are considered non-taxable entities. Time, resources (e.g. personnel), and planning are spent conducting the examinations. Employee Plans (EP)/Exempt Organizations (EO)/Government Entities (GE) Audit Information Management System (AIMS) Report Processing System EARP is a system utilized for reviewing reports that identify statistical information regarding those examinations. The types of information provided on the reports are as follows:

- Time spent by IRS personnel (hours charged) conducting the exams.
- Resources assigned for each exam.
- Specific type of organization examined.

The statistical information generated from the EARP reports are used to help IRS personnel make decisions regarding future examinations. For example, the IRS may decide to focus on one group of non-taxable entities versus another group of non-taxable entities, or the IRS may assign additional staff to a particular exam because it requires more personnel.

EARP receives its data from the Audit Information Management System (AIMS) system. There is no direct data entry into EARP, rather the data is received from AIMS. EARP and AIMS both reside on a mainframe. AIMS resides on a mainframe at the ECC-MEM computing center, whereas EARP resides on a mainframe at the ECC-DET computing center. There are three types of non-taxable entities that are reviewed as part of the examination. Additionally, EARP is made up of several modules whereby those modules provide information for the three non-taxable entity types. The three EARP modules are as follows:

- DIMF-BIMF Base Inventory Master File
- DEXP EO & GE AIMS Reports Process
- DPTE EP AIMS Reports Process

There is no database associated with EARP, and AIMS data received, is stored in a flat file within the DIMF-BIMF module. Access to EARP is read-only and is via the reports from the DEXP and DPTE modules. The error registers and some of the reports generated from those two modules contain taxpayer identification numbers (TINs), and names of organizations/examiner names.

System of Records Number(s):
- Treasury/IRS 50.222 - Tax Exempt & Government Entities Case Management Records
- Treasury/IRS 24.046 - Customer Account Data Engine Business Master File, Formerly Business Master File
- Treasury/IRS 34.037 - IRS Audit Trail and Security Records System
- Treasury/IRS 42.008 - Audit Information Management System

Data in the System

1. Describe the information (data elements and fields) available in the system in the following categories:

A. Taxpayer:
- Taxpayer's Employee Identification Number (EIN) or Social Security Number (SSN)
- Taxpayer's Name
- Type of return filed
- Tax period of the return being examined
- Other data elements indicating the nature of the examination being conducted and the results of the examination.

B. Employee:
- Revenue agent name
- Revenue agent grade

C. Audit Trail Information: Audit trail is at the GSS level, not the program level.

2. Describe/identify which data elements are obtained from files, databases, individuals, or any other sources.

A. IRS: All data elements within EARP are obtained from the Audit Information Management System (AIMS).

B. Taxpayer: No information in EARP is obtained directly from taxpayers. Taxpayer information is input to AIMS by TE/GE field employees, passes through DIMF-BIMF for validation and goes to DEXP or DPTE for creation of examination reports.

C. Employee: Agents provide their name and grade for AIMS input purposes but no information is provided by employees directly into EARP.

3. Is each data item required for the business purpose of the system? Explain.
Yes. EARP users download summary reports containing this data in order to identify the types of organizations that are audited and the results of those audits. Identifying this type of data enables TE/GE management to target future examination programs toward the entities that most likely will not be in compliance with tax laws.

The access to these reports is read-only and is limited to those users with access to the EARP application.

4. How will each data item be verified for accuracy, timeliness, and completeness?
DIMF-BIMF receives and validates data from the Audit Information Management System (AIMS) related to TE/GE activities. The data is validated against predetermined criteria that are programmed into the system. Errors in data must be corrected before credit for examination completion is recognized. DIMF-BIMF feeds this validated data to DEXP or DPTE, which creates Area Office and National level reports. The data is received monthly (from AIMS to EARP) and validation occurs immediately.

5. Is there another source for the data? Explain how that source is or is not used.
Yes. DIMF-BIMF receives examination data from AIMS and sends data to DEXP, DPTE and RICS. AIMS is used at the local field office level for monitoring examination case inventory; DEXP and DPTE generate summary reports at the area and national levels , and Return Inventory and Classification System (RICS) uses the data for historical trend analysis and research. In addition, EARP receives annually from client EP and EO 5440 plan documents via email. Plan data from documents is validated and keyed by developer for use in DEXP and DPTE reports.

6. Generally, how will data be retrieved by the user?
EARP produces reports that are placed within an area of the MITS 19 GSS mainframe. The OL5081 process is followed for TE/GE users who are granted access to these reports at the file level. Users then File Transfer Protocol (FTP) these reports to their local systems.

7. Is the data retrievable by a personal identifier such as name, SSN, or other unique identifier?
Yes. EARP reports are pre-formatted and not retrievable by a personal identifier for end-users. If EARP requires modification of the reports (via the developers); those updates could involve retrieving data via unique identifiers for developers of EARP.

Access to the Data

8. Who will have access to the data in the system (Users, Managers, System Administrators, Developers, Others)?
EARP has no direct user interfaces. Users are granted read access to the standardized reports contained in EARP through the OL 5081 approval process. Developers (IRS MITS employees) are granted access only for troubleshooting purposes. Systems personnel would only troubleshoot mainframe/systems issues, not application data/report issues. In the event that business owner reports a possible problem with either the production data or reports, developers would request temporary read access to production to research. This access is time limited and granted by a supervisor.

- Role: Developers
- Permissions: Read

9. How is access to the data by a user determined and by whom?
Users have no direct access to individual EARP data records. Users are granted read access to EARP standardized reports through the OL5081 procedures, which requires management approval. In addition, developer requests user to contact client (business owner) and have client email developer with approval/denial of user's request to have access to requested file(s) prior to action being taken on user's OL5081 request.

10. Do other IRS systems provide, receive, or share data in the system? If YES, list the system(s) and describe which data is shared.
Yes. EARP relies on AIMS to supply its data. The data in AIMS includes over 100 separate data elements that identify, in part, the taxpayer, the return, the agent and the results of the examination.

A flat file is placed on the mainframe by AIMS and EARP retrieves it from the mainframe via a scheduled batch process. Data from EARP is sent (via FTP) to the mainframe for input to Returns Inventory and Classification System (RICS).

11. Have the IRS systems described in Item 10 received an approved Security Certification and Privacy Impact Assessment?

> **AIMS:**
> - Certification & Accreditation-June 7, 2006, expires, June 7, 2009
> - Privacy Impact Assessment – April 10, 2006, expires, April 10, 2009

12. Will other agencies provide, receive, or share data in any form with this system?
No, other agencies will not provide, receive or share data in any form from this system.

Administrative Controls of Data

13. What are the procedures for eliminating the data at the end of the retention period?
The files are overwritten each month as new monthly files are received. This conforms to IRM 1.15.2.17-1, 73.(2) (a) Data Center Reports – Destroy 2 years after report date or when no longer needed in current operations, whichever is earlier.

14. Will this system use technology in a new way?
No. This system will not use technology in a new way.

15. Will this system be used to identify or locate individuals or groups? If so, describe the business purpose for this capability.
No. This system will not be used to identify or locate individuals or groups.

16. Will this system provide the capability to monitor individuals or groups? If yes, describe the business purpose for this capability and the controls established to prevent unauthorized monitoring.
No. This system doesn't have the capability to monitor individuals or groups.

17. Can use of the system allow IRS to treat taxpayers, employees, or others, differently? Explain.
No, the system does not allow the IRS to treat taxpayers, employees, or others, differently.

18. Does the system ensure "due process" by allowing affected parties to respond to any negative determination, prior to final action?
No. EARP is an internal system only. Due process to taxpayers is afforded at the revenue agent level at the conclusion of the examination.

19. If the system is web-based, does it use persistent cookies or other tracking devices to identify web visitors?
Not applicable, this system is not web based.